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DEPARTMENT OF THE AIR FORCE
WASHINGTON

OFFICE OF THE UNDER SECRETARY

March 27, 1964

MEMORANDUM FOR DEPUTY SECRETARY OF DEFENSE

Dr. McMillan has requested that I send you the attached current 13 March 1963 Agreement, a proposed Presidential Directive to amend the agreement, and a series of footnotes that explain the reasoning behind the proposed changes. The proposed directive expresses the sense of his recommendations not necessarily in the language appropriate for a directive of this type. As discussed on 26 March, the fact that such a proposal has been presented to the FIAB panel is only known to a few people and Dr. McMillan respectfully suggests that it be held in confidence at this time.

Also attached is a very brief explanation of some of the more pertinent problem areas that Dr. McMillan wanted to bring to your attention.

[redacted]

JOHN H. STRAND
Colonel, USAF
Executive Assistant

Attachments

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PRESIDENTIAL DIRECTIVE
TO
THE SECRETARY OF DEFENSE AND
THE DIRECTOR OF CENTRAL INTELLIGENCE
ON
MANAGEMENT OF THE NATIONAL RECONNAISSANCE PROGRAM (1)

I. Management of the National Reconnaissance Program

A. The Secretary of Defense is hereby appointed as the (2) Executive Agent of the United States Government for the management and conduct of the National Reconnaissance Program. In the establishment and management of the National Reconnaissance Program the Secretary of Defense will determine necessary broad policies and guidance to insure that the talents, experience and capabilities within the Department of Defense, the Central Intelligence Agency and other appropriate Government agencies are applied as necessary to insure the most efficient conduct of the NRP. The Secretary of Defense will consult with the (3) Director of Central Intelligence prior to the issue of such policies and guidance to insure that the requisite needs of the Intelligence community are adequately recognized in appropriate policy directives.

B. To carry out his responsibilities as Executive Agent for the NRP, the Secretary of Defense will establish a National Reconnaissance Office as a separate operating agency within the Department of Defense solely under the direction, authority, (4) and control of the Secretary of Defense. This office will be national in character with its foremost objective being the efficient management of the NRP to insure maximum contributions to the reconnaissance activities of the United States Government.

II. Organization and Command of the National Reconnaissance Office

A. The National Reconnaissance Office shall consist of:

1. A director appointed from among the officers and employees of the Department of Defense by the Secretary of Defense with the concurrence of the Chairman of the Foreign (5) Intelligence Board, the Chairman of the Special Group, and the Director of Central Intelligence. The Director shall devote a major portion of his time to the management of the National Reconnaissance Program. The chain of command shall run directly

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from the Secretary of Defense as Executive Agent to the Director, NRO. Guidance to the Director, NRO, shall be furnished by the Secretary of Defense as Executive Agent hereunder.

2. Such personnel of the Army, Navy, Air Force, other components of the Department of Defense and the Central Intelligence Agency, and other appropriate Government agencies as shall be assigned on a full-time basis to appropriate positions within the National Reconnaissance Office.

B. The National Reconnaissance Office will be formally established by DNRO directives assigning responsibilities for NRP projects to Program Directors. Organizational changes deemed necessary by the Secretary of Defense and the DNRO after coordination with the affected agency may be incorporated without requiring a rewrite of this basic agreement. All personnel assigned to the NRO will serve on a full-time, inter-agency transfer basis for the duration of their NRO tour of duty. To protect the security of the NRO, unclassified titles and office assignments will be used, and such personnel will continue to occupy manpower authorizations in and be paid by their parent Service or Agency. However, such personnel will be under the complete control of the appropriate supervisory level of the NRO element to which assigned and NRO supervisors will be responsible for normal administrative actions including the annual rendering of effectiveness reports.

III. Functions and Responsibilities of the National Reconnaissance Office

Subject to the direction, authority and control of the Secretary of Defense, the National Reconnaissance Office, under the operational direction and control of its Director, is responsible for the management of all aspects of the NRP, including but not limited to:

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A. Development of current and long-range projections of a single National Reconnaissance Program for approval of the Secretary of Defense. Such projections on a continuing basis will include collection of intelligence, mapping, and geodetic information through aircraft and satellite overflights over denied territories by collection systems exclusive of peripheral operations. Effective use will be made of technical and operational capabilities and resources of the Department of Defense, National Security Agency, and the Central Intelligence Agency to support appropriate collection and processing projects.

B. Responding directly to the intelligence collection requirements and priorities established by the United States Intelligence Board, in accordance with approved Secretary of Defense procedures.

C. Planning, selection of appropriate resources, assignment of responsibilities, and execution of all missions for overflight of denied territories, involving both aircraft and satellite systems in the NRP. Prior clearance from higher authority will be obtained in accordance with approved procedures as directed by the Secretary of Defense.

D. Determination and assignment of responsibilities for accomplishing initial imagery processing, titling, production, and delivery of the collected product to the users, based on USIB statements of requirements and priorities.

E. Decommutation, conversion, technical correction and reconstruction of the collected electronic signal data to yield a usable collection product, and delivery of such collection product in proper format together with associated data necessary for exploitation to appropriate DoD components, National Security Agency, Central Intelligence Agency or other user as specified by the Secretary of Defense, based on stated USIB requirements.

F. Determination and assignment of responsibilities to appropriate NRO agenices for accomplishment of engineering analysis of all collection systems to correct the problems that exist on the operating systems as well as to provide information for new systems.

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G. Determination of requirements and assignment of responsibilities to appropriate NRO agencies for planning and conduct of research and development of future NRP projects. (16)

H. Presentation, as required, of all aspects of the NRP to the Special Group and the President's Foreign Intelligence Advisory Board.

I. Maintenance of a uniform system of security procedures and control in accordance with security policy established for the NRP by the Director of Central Intelligence.

J. Preparation of budget requests for all NRO programs, and presentation and substantiation of such budget requests to the Secretary of Defense, the Bureau of the Budget and Congressional Committees. Budget requests for all NRO elements other than the DoD will be coordinated with the appropriate agencies prior to submission to the Secretary of Defense. (17)

K. Direction, management, and control of the application and administration of all funds made available for the NRP. Accountability for NRP funds expended or obligated under the authority of the Director of Central Intelligence under Public Law 110, administered and accounted for by the CIA, will be reported to Director, NRO, in accordance with agreed upon Comptroller procedures. (18)

L. Release of public information subject to the security guidance of CIA.

IV. Authorities

The Director, National Reconnaissance Office, in connection with his assigned responsibilities for the National Reconnaissance Program, shall be authorized to:

A. Organize, staff and supervise the National Reconnaissance Office.

B. Establish, manage and conduct the National Reconnaissance Program.

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C. Determination and assignment of all NRP projects to appropriate Program Directors for overall project management to include current and long-range planning, budgeting, financial, technical, and contract management. DNRO is authorized to change such assignments and take any such steps as may be deemed necessary to the efficient management of the NRP.

D. Issue appropriate instructions and procedures implementing this agreement.

V. Relationships

A. In carrying out his responsibilities for the National Reconnaissance Program, the Director, National Reconnaissance Office shall:

1. Report directly to the Secretary of Defense and shall keep him currently informed on the NRO and the NRP.

2. Establish appropriate procedures to keep the Director of Central Intelligence currently informed on the NRO and the NRP.

3. Establish appropriate liaison between the National Reconnaissance Office and the United States Intelligence Board, the Joint Chiefs of Staff, the Defense Intelligence Agency, and the National Security Agency.

4. Where appropriate, make use of qualified personnel of the Department of Defense and the Central Intelligence Agency as full-time members of the National Reconnaissance Office.

B. Officials of all elements of the Department of Defense and the Central Intelligence Agency shall provide support within their respective authorities to the Director, National Reconnaissance Office, as may be necessary for the Director to carry out his assigned responsibilities and functions. Streamlined management procedures shall be utilized whereby individual

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project directors will report directly to the Director, National Reconnaissance Office. The Director, National Reconnaissance Office, shall be given support as required from normal staff elements of the military departments and agencies of the Department of Defense and of the Central Intelligence Agency concerned. These staff elements will not participate in those project matters except as he specifically requests, and these projects will not be subject to normal Department of Defense or Central Intelligence Agency staff review.

VI. Effective Data

This directive is effective upon signature and supersedes the DoD-CIA NRO Agreement dated 13 March 1963.

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FOOTNOTES TO PROPOSED PRESIDENTIAL DIRECTIVE

1. A Presidential Directive is probably the only mechanism that can successfully bring about changes of the character recommended. A directive to coordinate on a rewrite of the agreement will prolong the present situation.

2. The basic purpose of the directive is to establish the Secretary of Defense as Executive Agent for the NRP and not "to insure that the talents, experience, and capabilities are most effectively utilized etc." The composition of capabilities of DoD, CIA, other Government agencies, and contractors are extensive and we need to "insure that such capabilities are applied as necessary."

3. Inasmuch as the Secretary of Defense is the Executive Agent, the policies and guidance do not have to be "jointly" agreed to by Secretary of Defense and DCI. Rather, "The Secretary of Defense will consult with the DCI prior to the issue of such policies and guidance etc."

4. The DNRO must be"solely under the direction, authority, and control of the Secretary of Defense" in order to avoid the quasi committee management that now exists. The Secretary

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of Defense and DCI designated officials to monitor and examine are eliminated to avoid diffusion of the DNRO management authorities in the conduct of the NRP. The DNRO must be accountable solely to the Secretary of Defense. Further, the NRO must be national in character to emphasize the national aspects of the NRP.

5. Because of the relationships of the DNRO to the Secretary of Defense and to the FIAB, the Special Group, and the DCI as Chairman of USIB, a minor point included is that after the Secretary of Defense selects a DNRO, these three other agencies should be given the opportunity of concurring with the selection.

6. The provision for a Deputy Director of the NRO has been eliminated. In actual practice the DDNRO has not been able to accomplish the responsibilities outlined in the 13 March 1963 agreement; specifically, the CIA will not allow him to "supervise all NRP tasks assigned by the DNRO to the CIA" because this implies supervision over the many elements of DDS&T.

7. Once the authority of DNRO is recognized, we need to issue formal assignment directives to establish specific responsibilitie

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and eliminate confusion that now exists between Programs A & B and B & D.

8. This detail is included to require that all personnel, regardless of parent organization, who are formally included in the NRO are under the management control of the appropriate supervisor. To date, the CIA has not agreed to NRO supervisors rendering annual effectiveness reports on CIA personnel assigned to NRO organizational elements. However, we have not forced this issue because of the present relationship problem.

9. The current and long range NRP must be reviewed and tentatively approved by Secretary of Defense as Executive Agent and then coordinated with the DCI to avoid dual direction to the DNRO.

10. Effective and not maximum use must be made of capabilities and resources. See note (2) above.

11. DNRO must respond not solely to USIB but to all appropriate intelligence elements as may be directed by Secretary of Defense.

12. DNRO must be able to task appropriate agencies and resources for both aircraft and satellite overflight with higher authority clearance as directed by Secretary of Defense.

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13. DNRO must be able to task appropriate agencies as in (12) above.

14. DNRO must be able to deliver product for exploitation to all appropriate agencies as specified by Secretary of Defense.

15. DNRO must have authority to assign engineering analysis responsibilities to appropriate NRO elements.

16. Same as (15) above. One of the present deficiencies in the relationships between DNRO and the DDS&T is that we have no practical visibility or control over their advanced planning activities. DNRO needs to have authority to assign responsibilities to appropriate NRO elements.

17. DNRO must consolidate Budget requests for the NRP and be responsible for justification. This includes those funds to be expended by the CIA. The NRP Budget must be justified as a whole program and not in two separate pieces.

18. All elements of the NRO expending NRP funds must be accountable to the DNRO.

19. DNRO must determine and assign all NRP projects to appropriate NRO elements. At the present time this authority is not accepted by the CIA.

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20. DNRO responsibility is first to the Secretary of Defense and secondly he should keep the DCI informed. He should also keep other DoD or CIA officials informed but not for the purpose of allowing such officials to examine and monitor DNRO management of the NRP.

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Problems

1. There is a fundamental split in the management of CORONA as between Air Force and CIA elements of the NRO. This results in a complicated contract structure, and technical management by a committee specified in the contracts. There is no center of authority short of DNRO. Presently DNRO is under injunction not to change this.

2. More generally, the way in which the CIA fits into the NRO is not in fact well defined. Contrary to the agreement of 13 March 1963, the Deputy DNRO has no authority in the CIA over any activity in support of the NRO. De facto, the situation is this: The Office of Special Activities, CIA, is headed by Colonel Jack Ledford. He is identified in the NRO as Director, NRO Program B. "Program B" then consists of exactly those activities managed by Ledford. These activities are summarized on an attachment. A number of other tasks for the NRO are conducted by the CIA outside of Colonel Ledford's area of responsibility. All of these tasks are under the Deputy Director, CIA, for Science and Technology, Dr. Wheelon, to whom Colonel Ledford also reports in the CIA organization. Dr. Wheelon

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is also the official monitor of NRO for the CIA, a post established by the 13 March agreement.

In this arrangement Dr. Wheelon acts as the point of contact for DNRO for all NRO matters in the CIA except (a) matters directly under Program B and (b) certain more or less routine matters relating to security and security policy which need not be considered here. This creates a situation in which Dr. Wheelon acts both as agent for DNRO and as monitor of DNRO. This leads to ambiguity of authority over and responsibility for NRO activities.

There appear to be further ambiguities, as between Program B and other elements of the CIA, within the CIA itself which complicate relationships but are not intrinsic to the problem of inter-agency relations.

Within this rather fuzzy structure there is little personal contact between the DNRO and those who function in support of the NRO. To my memory, the only personal contacts between me and CIA personnel, other than Ledford, Wheelon, and the Director and Deputy Director have been at my invitation or request. Ledford's unsolicited contacts with me have been few; I sense

but cannot prove that he as well as all of his people are constrained in the extent, and content, of their dealings with me.

Almost all of my knowledge of CIA activities related to or in support of the NRO results from explicit inquiry by me. In recent months, for example, two important and valuable studies bearing significantly on NRO programs were conducted by the CIA without my knowledge until the results were presented. While this cannot objectively be cited as wrong, it creates an unwholesome atmosphere.

3. There exists no clear statement of NRO policy with respect to the role or responsibilities of the CIA. In the clouded atmosphere described above, I have been unwilling to issue one. I feared that if I even opened a discussion of these matters, the CIA would "demand" a much broader assignment of responsibilities than I have any evidence to believe they can discharge. Even the necessary effort to clarify the CORONA management has in fact led to this situation.

4. The existence of the DoD and CIA monitors seriously clouds the authority of the DNRO. In actual practice the DNRO

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